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Seventh progress report on the accountability system in the United Nations Secretariat: strengthening the accountability system of the Secretariat under the new management paradigm

Report of the Secretary-General

Summary

The Secretary-General has the honour to submit to the General Assembly a report on progress made towards the implementation of the accountability system in the United Nations Secretariat, as requested by the Assembly in its resolution 71/283. The report comprises two main parts. The first part provides an update on the progress made in strengthening the accountability system over the past year, including: (a) defining the leadership framework of the United Nations Chief Executives Board for Coordination; (b) promulgating an enhanced whistle-blower protection policy; (c) instituting special measures for combating sexual exploitation and abuse; (d) preventing and responding to sexual harassment; and (e) conducting a fraud and corruption risk assessment.

The second part of the report explains how the Secretary-General intends to strengthen the Secretariat's accountability system to support his proposed new management paradigm, under which greater authority will be delegated to managers entrusted with the responsibility to deliver on the Organization's mandates, who in turn will be held accountable for their decisions, performance and conduct. It introduces a "three lines of defence" model, which will clarify essential roles and responsibilities for risk management and internal controls within the Organization and improve the effectiveness of the risk management systems. The model is in line with the overall objective of the management reform efforts and is aimed at enhancing the effectiveness of the Organization in meeting its mandates and ensuring the effective use of resources.

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The Secretary-General is also using this opportunity to present, in annex I, a summary of the updated version of the Secretariat's accountability system, including the new additions that have been incorporated since it was first introduced in the report entitled "Towards an accountability system in the United Nations Secretariat" (A/64/640), as well as those new elements that are being created in the context of the proposed management reform. The updated system will be the basis for the preparation of global accountability guidance that will clearly articulate to staff and managers what those components are, how the accountability mechanisms fit together and how they interrelate, thereby enabling managers and staff to discharge their responsibilities in an informed and responsible manner and to be held accountable for their actions and decisions. Annex II to the present report includes an action plan for the implementation of results-based management at the United Nations Secretariat during the period 2018–2021.

I. Introduction

1. In his report dated 27 September 2017, entitled "Shifting the management paradigm in the United Nations: ensuring a better future for all" (A/72/492 and A/72/492/Add.1), the Secretary-General stressed his commitment to strengthening the culture of accountability within the Secretariat. Under the proposed new management paradigm, decision-making will be decentralized by bringing it closer to the point of delivery. Bureaucracy will be reduced and policies will be streamlined and simplified. Support and service delivery to departments, regional commissions, offices away from Headquarters and field missions will be improved. Changes to management and support structures to better support the delivery of programmes and provide managers with quality assurance and strategic policy guidance will be submitted to the General Assembly at the second part of its resumed seventy-second session.

2. The Secretary-General will delegate authority to senior managers for the use of resources to support programme delivery and mandate implementation. It will not be a blanket delegation of authority, but rather will be done on the basis of careful consideration of the capacity of the managers to receive such authority and their ability to properly execute it. Training and support will be provided with regard to the proper use of that delegated authority. The institution as a whole, and its individual staff members, will be held accountable for delivering agreed results while complying with regulations, rules and ethical standards. Staff members will also be expected to proactively identify and manage risks that threaten the achievement of their objectives. Performance, both programmatic and managerial, will be systematically monitored, evaluated and reported. Programme managers will take corrective actions in order to keep plans on track, and lessons learned will be used to inform future planning. Programme planning and performance information will be updated and reported to Member States on an annual basis, in the context of the proposed annual programme budget document. In addition, the programmatic and financial performance of individual programmes will be reflected on dashboards, which will be updated quarterly. The dashboards will be accessible to Member States and staff. The present report describes how the accountability system is being strengthened to support, and align with, the proposed management reforms.

II. Recent actions taken to strengthen the accountability system in the United Nations Secretariat

3. Since the beginning of his tenure, the Secretary-General has taken a number of actions to strengthen the culture of accountability in the Secretariat. Some of those measures build on gains made by the Organization through previous reform processes, while others are new initiatives. What follows is a brief description of those efforts.

Leadership framework for the United Nations System Chief Executives Board for Coordination

4. The reports of the Secretary-General entitled "Investing in the United Nations: for a stronger Organization worldwide" (A/60/692, A/60/692/Corr.1 and A/60/692/Corr.2) and "Investing in people" (A/61/255, A/61/255/Add.1 and A/61/255/Add.1/Corr.1) identified the need to better support and develop the leadership and management culture of the United Nations. Some steps taken towards that goal include the introduction of compacts between the Secretary-General and senior managers as a strategic management tool, dedicating capacity within the Department of Field Support to recruit and provide support to senior managers in field

missions and the development of induction and mentoring programmes, and mandatory training programmes for senior leadership.

5. In his report dated 27 September 2017, the Secretary-General stated that the United Nations must work across organizational boundaries, harnessing the full power of its available resources, capacities and partnerships, if the Organization was to truly lead. Critical to its success would be a profound transformation of culture, and visionary and principled United Nations leadership — at all levels and across the system. A leadership that would communicate the Organization's vision to all stakeholders and was emboldened and took decisions, and was accountable for them, and recognized problems and acted promptly to solve them.

6. Those characteristics are embedded in the United Nations system leadership framework, as endorsed by the United Nations System Chief Executives Board for Coordination (CEB). As explained in the report of the Secretary-General dated 27 September 2017, the new leadership framework sets out eight defining characteristics determined to be essential to fulfilling the Organization's core mandate to promote peace and security, protect human rights, address humanitarian needs and advance the imperatives of economic and social progress set out in the 2030 Agenda for Sustainable Development.

7. The eight principles defining United Nations leadership are that it is: (a) principled, defending the Organization's values, norms and standards; (b) norm-based, grounded in United Nations values and standards; (c) inclusive; (d) accountable, demonstrating 360-degree accountability within the United Nations, across the United Nations system, to Member States and to those served by the Organization; (e) multidimensional, integrating across organizational boundaries and functions; (f) transformational, achieving positive change; (g) collaborative; and (h) self-applied, exhibiting the principles in all interactions. To those, the Secretary-General has added a ninth characteristic: that it is pragmatic and action-oriented, taking principled and practical action to deliver on mandates, balancing administrative and operational risks and erring on the side of action to prevent and address human suffering.

8. The leadership framework is being operationalized through the senior managers' compacts in 2018 and will be integrated into all leadership and management staff selection decisions at all levels across the Secretariat. In addition, the Secretariat intends to revitalize and update leadership orientation, training, mentoring and coaching to reflect the framework. The Organization is developing a 360-degree evaluation mechanism around those nine qualities and is conducting staff surveys to monitor staff perceptions of their leadership and managers. A pilot exercise was launched in 2017 whereby a few senior managers at Headquarters and field operations underwent 360-degree reviews. Following an assessment conducted by the Department of Management, an appropriate 360-degree feedback evaluation model for senior leaders was recently proposed for the consideration of the Secretary-General and is expected to be rolled out in 2018. Responses from senior leadership will be sought following the roll out of the 360-degree feedback evaluation, and lessons learned will be incorporated into the subsequent implementation of the 360-degree feedback evaluations for middle management and lower levels.

Strengthened whistle-blower protection policy

9. The Secretary-General is committed to ensuring an environment in which staff feel safe to report wrongdoing and to protecting them against retaliation when they do. That is an important part of any anti-fraud and anti-corruption framework. Staff and other United Nations personnel at all levels are commonly the first to recognize wrongdoing in the workplace; therefore, empowering them to speak up without fear

of reprisal will help prevent, detect, deter, respond to and enable reporting on fraud and corruption.

10. A significantly strengthened policy on protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations (ST/SGB/2017/2) was promulgated on 20 January 2017, and a revised policy went into effect on 28 November 2017 (ST/SGB/2017/2/Rev.1). The revised policy allows the Ethics Office to recommend preventive action where a risk of retaliation has been identified by the Office of Internal Oversight Services (OIOS). It affords protection from retaliation to individual contractors and consultants and to United Nations staff who report wrongdoing committed not only by other staff but also by contractors, non-United Nations peacekeepers and others. The policy also allows for the possibility of transferring the retaliator (as opposed to the complainant) to another office after an investigation. In addition, staff now have the right to seek a review of the determinations of the Ethics Office and to be notified of disciplinary measures taken against staff members found to have retaliated against them. The terms and implementation of the policy will be reviewed annually.

Secretariat-wide fraud and corruption risk assessment

11. Following the issuance of the first-ever Anti-Fraud and Anti-Corruption Framework for the United Nations Secretariat (ST/IC/2016/25), the Secretariat conducted a fraud and corruption risk assessment to identify the most critical areas at risk of fraud and corruption in order to design a comprehensive anti-fraud and anti-corruption strategy and implement the proper mitigation measures, thereby addressing a long-standing concern of the Board of Auditors that the Secretariat had not conducted a comprehensive risk assessment regarding fraud.

12. The exercise was based on a review of available historical data and losses suffered by the Secretariat and an extensive series of interviews and workshops held across the entire Secretariat, including consultations with the oversight bodies. It was approved by the Management Committee, acting in its capacity as the enterprise risk management committee of the Secretariat.

13. Six critical areas of risks were identified: (a) organizational culture and accountability; (b) information and communications technology governance and cybersecurity; (c) the Umoja system control environment; (d) implementing partners; (e) theft of fuel, rations and inventory; and (f) procurement.

14. Corporate risk owners were assigned and tasked with the responsibility of developing detailed risk treatment and response plans for those priority risks, which will outline specific risk treatment actions to further mitigate risks and set timelines for their implementation.

15. Going forward, the Management Committee will periodically consider progress on the implementation of the agreed mitigating actions and the overall exposure of the Secretariat to fraud and corruption risks.

16. That exercise will be the starting point for heads of departments, missions and offices to apply results to the local conditions and implement required measures at the local level.

Strengthening protection against sexual exploitation and abuse

17. In his first major report on the topic for 2017 (A/71/818, A/71/818/Corr.1 and A/71/818/Add.1), the Secretary-General set out a four-pronged strategy to prevent and respond to sexual exploitation and abuse committed by those serving under the United Nations flag: (a) putting the rights and dignity of victims at the forefront of United Nations efforts; (b) ending impunity for those guilty of sexual exploitation and

abuse; (c) building a multi-stakeholder network to support the strategy; and (d) increasing transparency about the issue and raising awareness of this abhorrent conduct worldwide. He appointed a victims' rights advocate to work with all parts of the United Nations system, Member States, civil society and other stakeholders to support, in collaboration with field victims' rights advocates in four United Nations missions, an integrated policy response to victims' assistance and accountability. The Secretary-General also invited Heads of State and Government to join a circle of leadership on the prevention of and response to sexual exploitation and abuse in United Nations operations to demonstrate their commitment to work in partnership to prevent such conduct and respond robustly if it occurs.

18. The Secretary-General also crafted, in cooperation with Member States, a voluntary compact which identifies concrete prevention and response actions, including elevating the interests of victims. He addressed the accountability of the United Nations with respect to its authority by strengthening mechanisms to encourage the reporting of allegations; mainstreamed discussion of sexual exploitation and abuse through the Leadership Dialogues and the issuance of "no excuse" cards to personnel of all entities operating in high-risk field locations; and called on all United Nations leaders to certify that their entities reported all credible allegations received. He demanded that all entities maintain data on reports of alleged sexual exploitation and abuse in situations where there was sufficient information to suggest the occurrence of such conduct against an identifiable or identified victim, and that they submit that data on a quarterly basis, and since November 2017 has made those reports public through his spokesperson. He also spearheaded the development of a screening tool that will prohibit the rehiring of United Nations personnel subject to a substantiated allegation by another part of the Organization.

19. Given the higher risk of sexual exploitation and abuse in field missions, the Department of Field Support strengthened the ability of peacekeeping and special political missions to manage that risk through the development of a new sexual exploitation and abuse risk management toolkit that provides missions with a systematic approach to identifying, assessing and mitigating risks relating to sexual exploitation and abuse. The toolkit uses standardized measurement references that are aligned with other risk management processes for peacekeeping missions, and is designed to be adaptable to specific mission conditions. The toolkit will be piloted in the field in the first half of 2018 and, on the basis of lessons learned from the pilot exercise, will be finalized and launched later in 2018.

Combating sexual harassment

20. Addressing sexual harassment in the United Nations Secretariat, and in the system as a whole, is equally an Organizational priority for the Secretary-General and a critical element of the broader vision of advancing gender parity and the empowerment of women within the Organization. The Secretary-General has repeatedly emphasized his commitment to a zero-tolerance approach to sexual harassment in the workplace, including through a joint letter with staff unions that encouraged staff members to support victims and witnesses and reminded them of the available reporting mechanisms.

21. A wide variety of concrete and immediate actions are being undertaken to ensure that staff and other personnel who have been either targets of sexual harassment or bystanders feel safe and empowered to speak up, and that appropriate mechanisms are in place to prevent, investigate and respond to such incidents and provide protection for victims and witnesses.

22. The revision of the policy on investigations and disciplinary processes (ST/AI/2017/1) and the strengthening of the whistle-blower policy protecting staff

members from retaliation have enhanced the normative framework for staff members. The Secretary-General has mobilized senior managers to improve guidance, information and services for staff, with an emphasis on improving support for victims. Those measures include a 24-hour helpline in the Secretariat so staff are able to access information and confidential support, an updated mandatory training programme on the prevention of sexual harassment and abuse and an information note on available reporting mechanisms and services. Information on all those measures is readily accessible through a new dedicated intranet page.

23. As sexual harassment is often underreported, a Secretariat staff survey is being developed to better understand the prevalence, nature and experience of sexual harassment. The survey will facilitate and strengthen the Organization's ability to respond effectively and quickly. Efforts are also under way to strengthen investigation and response capacities. OIOS is implementing a streamlined, fast-tracked procedure to receive, process and address all sexual harassment complaints. A specialized team focusing on investigations is being created, and additional investigators are under recruitment. Particular attention is being given to increasing the number of investigators who are women.

24. To accelerate action across the United Nations system, in November 2017 the Secretary-General created a CEB task force on addressing sexual harassment tasked with reviewing sexual harassment policies, investigative capacities and victims' protection and support mechanisms across the United Nations system. Chaired by the Under-Secretary-General for Management in her role as Chair of the High-level Committee on Management, the task force is focusing on improving system-wide data collection and prevention and response efforts. It has established thematic working groups on policy, reporting, investigative capacity, communication and leveraging innovation. The task force will present its findings and recommendations to the High-level Committee on Management and CEB in May 2018.

Performance incentives, remedial action and sanctions

25. The Secretary-General is committed to implementing an effective system of incentives for strong performance, remedial action for underperformance and sanctions for unsatisfactory behaviour and misconduct.

26. In terms of incentives, the General Assembly, in its resolution 70/244, requested the International Civil Service Commission to conduct studies on the performance management schemes in common system organizations and to formulate recommendations on performance incentives. During the seventy-second session of the Assembly, the Commission presented, in its annual report, the results of the requested studies along with recommendations, including a set of principles and guidelines for performance appraisal and management for the recognition of different levels of performance (see A/72/30, para. 65, and annex VI). Following the adoption of resolution 72/255, in which the Assembly approved the Commission's proposed principles and guidelines, they will be reflected in the ongoing review of the performance management system of the Secretariat, which will include consultations with staff representatives.

27. The Secretariat will develop a knowledge management system that includes case studies containing examples of corrective actions and potential sanctions taken with regard to cases of poor performance and poor management of delegated authority. The knowledge management system will function as a reference point to guide senior officials and those who have received delegations of authority from senior officials. It will demonstrate how delegation can be withdrawn or other sanctions imposed (e.g., lateral moves out of functions, termination and so on). In addition, the

knowledge management system will also contain cases of positive examples where managers appropriately applied their delegations of authority.

28. The Secretariat expects to complete its work on incentives, remedial action and sanctions as soon as possible, subject to the staff-management consultative process, and to report on the results in a future accountability report.

International Public Sector Accounting Standards and Umoja: important enablers for strengthening accountability

29. The implementation of the International Public Sector Accounting Standards (IPSAS) and the Umoja enterprise resource planning system underpin the management reform proposal of the Secretary-General. Those two important business transformation initiatives individually and collectively strengthen the accountability framework by enhancing visibility in operations in terms of breadth and depth of information and by providing higher-quality information for the planning and implementation of activities and the better measurement of results.

International Public Sector Accounting Standards

30. The adoption of IPSAS by the United Nations introduced accrual accounting, which allows the Organization to report its results on a consistent and comparable basis, providing benchmarking opportunities with other United Nations system and public-sector organizations. In addition, the preparation of the financial reports under IPSAS provides a clearer picture of the Organization's assets and liabilities (such as employee salaries and benefits), and allows all stakeholders to have a more comprehensive view of the Organization's financial position, performance and cash flows and a better assessment of how well the United Nations has used its available resources.

31. The high-quality financial reporting generated by IPSAS also requires more financial transactions to be recognized or disclosed either in financial statements or in notes to financial statements (on items such as inventory, intangible assets and accounts payable) and the preparation of yearly financial statements and yearly comprehensive audits by the Board of Auditors. All of those factors lead to better governance, management and transparency and enhance the ability of the United Nations independent assurance functions, as well as Member States, to exercise their oversight responsibilities and hold the Organization accountable.

Umoja enterprise resource planning system

32. The implementation of the full scope of Umoja (Foundation and Extensions 1 and 2) will transform the most important managerial spheres of the Organization's operations, providing stakeholders with an integrated and detailed view of the overall performance of the Organization, illustrating the dependencies among its units and how their individual performance is affecting the overall performance of the Organization.

33. Umoja already covers a very broad range of functionality. In addition, a more integrated and complete picture of the Organization's performance, rather than a fragmented view produced by the numerous legacy information sources, will make the financial situation and performance of the Organization more transparent. The introduction of Umoja Extension 2, which will deal with strategic planning and performance management, in September 2018 will provide a qualitatively significant improvement in accountability for delivering results and resolve a long-standing gap with regard to providing tools to programme managers for proactively managing programme performance. It will also facilitate timely interventions for corrective measures and improve the effectiveness of the risk management process. In that

regard, the Board of Auditors has recognized the attainment of global Umoja deployment as a major achievement, as the system introduces a step change in technology, and is of the opinion that Umoja continues to represent a unique opportunity to drive more cost-effective delivery of mandates by increasing the operational effectiveness of administrative functions through modern, improved ways of working and improved decision-making through the exploitation of better management information (see A/70/158, para. 18).

34. Umoja is also an important enabler of the Secretariat's global service delivery model, which will increase the Secretariat's efficiency through specialization and location-agnostic delivery and by concentrating an entire series of transactional functions in a service centre. It will also promote a consistent interpretation and application of all regulations, rules, policies and principles related to the management of resources, thereby reducing reputational and financial risks to the Organization.

35. Through sophisticated data analytics, very large volumes of data can be analysed quickly and periodically to measure and monitor performance relating to every process supported by Umoja. Umoja also has tools to monitor the performance of individuals in terms of how they use the system. The platform is allowing the Secretariat to perform data mining, which increases the abilities of the Organization to uncover systemic problems, previously hidden patterns, correlations, trends and other useful information that will assist it in making better-informed business decisions and which will undoubtedly lead to improved efficiency. Umoja is also strengthening the capabilities of auditors by enabling them to analyse not only samples of the population, but data pertaining to the entire population, if required.

36. Finally, the implementation of the full scope of Umoja will improve the implementation of results-based management by strengthening the link between results and the utilization of resources and by providing managers with better tools to proactively manage programme delivery. Programme and financial performance information will be displayed on dashboards which will be rolled out starting in early 2019.

III. Strengthening the accountability system of the Secretariat under the new management paradigm

New functions and processes for increased accountability in the context of a new management paradigm

37. As stated in his report dated 27 September 2017, the Secretary-General is proposing to the General Assembly a new management paradigm that will empower managers to determine how best to use their resources to support programme delivery and mandate implementation. To effect that change, the Secretary-General intends to delegate directly to the heads of entities across the Secretariat the authorities needed for the effective stewardship of their resources. Those authorities will be aligned with responsibilities to ensure the chain of command from the Secretary-General to senior officials and below while also holding them accountable for the programmatic and financial performance of their programmes.

38. Under the new paradigm, decision-making will be decentralized by bringing it closer to the point of delivery. Bureaucracy will be reduced and policies will be streamlined and simplified. Support and service delivery to departments, regional commissions, offices away from Headquarters and field missions will be improved. Proposed changes to management and support structures to better support the delivery of programmes and provide managers with quality assurance and strategic policy

guidance will be submitted to the General Assembly at the second part of its resumed seventy-second session.

39. The scope of the delegation of the Secretary-General's authority to senior managers will not be a blanket delegation, but rather will be made on the basis of careful consideration of the capacity of the managers to receive such authority and their ability to properly execute it.

40. The delegation of authority will be accompanied by complementary management reforms that include a simplification and streamlining of the rules, policies and procedures and the creation of new, clear and simplified policies and administrative guidance, accompanied by appropriate training, support, monitoring and accountability mechanisms. A new performance monitoring and compliance function will assess the conformity of the Organization's operations in accordance with the internal control system and the best practices applicable to the Secretariat's business processes. Those new functions will also ensure greater transparency and accountability.

41. The new components of the Secretariat's accountability system, the enhancement of existing processes, practices and procedures and the introduction of the new compliance functions, which will be described in detail in the remainder of the report, include the following:

(a) Updating the Secretariat's accountability system and preparing management accountability guidance that explains the Secretariat's accountability system in language that is clearly understandable to all staff. The guidance will include information on the Organization's values, principles, structures, processes and policies, thereby enabling managers and staff at all levels to discharge their responsibilities in an informed and responsible manner and to be held accountable for their actions and decisions;

(b) Strengthening the implementation of results-based management to refocus the efforts of staff at all levels towards the achievement of the Organization's objectives and results, and defining a four-year action plan towards that end;

(c) Placing a stronger emphasis on the "three lines of defence" model to enhance clarity regarding risks and controls and assist in improving the effectiveness of the risk management systems;

(d) Strengthening the senior managers' compact system to more effectively assess the performance of the Organization's senior managers;

(e) Adopting a statement of internal control that will be signed by all senior managers;

(f) Creating an improved and streamlined system of delegation of authority that clearly delineates authorities and responsibilities in an accountability matrix;

(g) Developing a new set of monitoring and compliance functions that includes:

(i) Enhanced guidance and support for the delegation of authority and more systematic and frequent monitoring of the use of delegated authority and the segregation of duties;

(ii) Monitoring performance and compliance through data analytics, introducing programme performance dashboards and strengthening self-evaluation activities and reporting;

(iii) Systematically conducting management reviews and quality assurance exercises.

Global management accountability guidance

42. The principles of accountability have always been embedded in the structures and policies of the United Nations Secretariat.

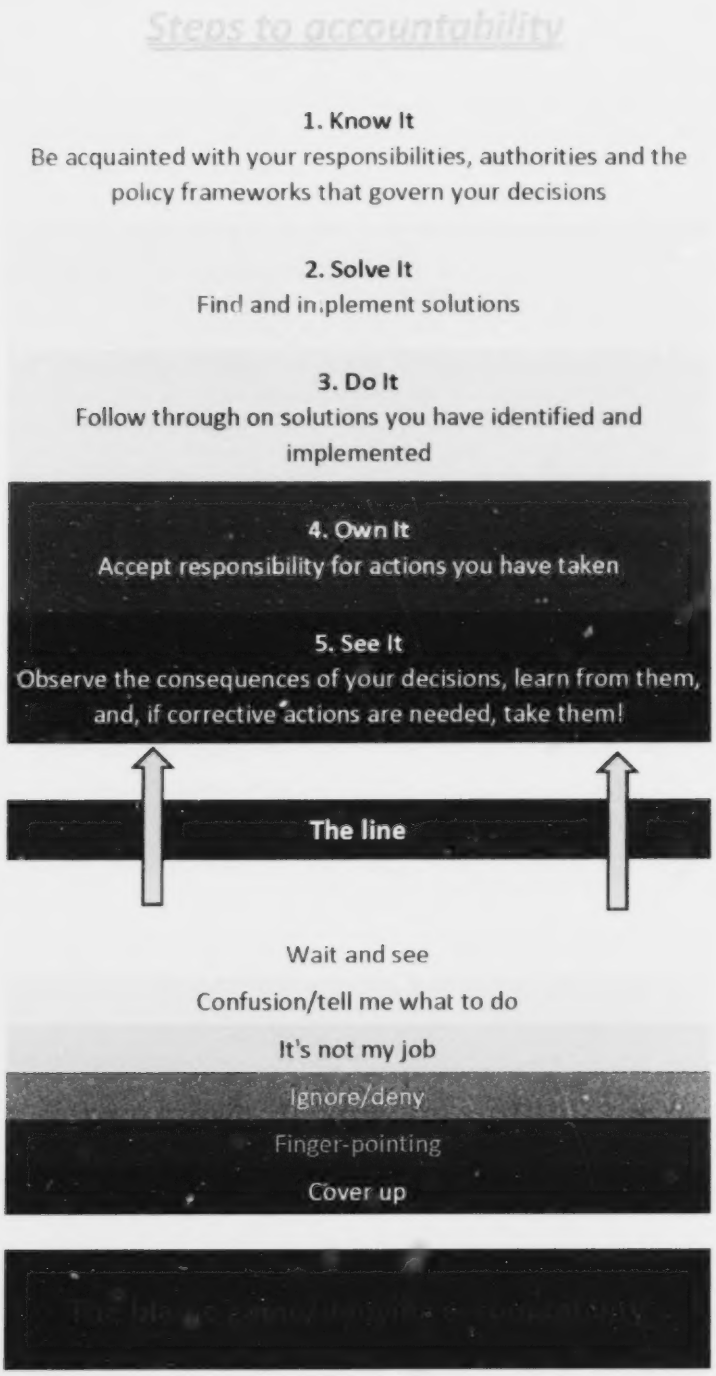
43. Having considered several reports of the Secretary-General on the subject, including the report entitled "Towards an accountability system in the United Nations Secretariat" (A/64/640), Member States agreed on a definition of accountability for the United Nations and, embedded in that definition, the components of the Secretariat's accountability system.

44. In paragraph 8 of its resolution 64/259, the General Assembly defined accountability for the United Nations as:

> The obligation of the Secretariat and its staff members to be answerable for all decisions made and actions taken by them, and to be responsible for honouring their commitments, without qualification or exception.
>
> Accountability includes achieving objectives and high-quality results in a timely and cost-effective manner, in fully implementing and delivering on all mandates to the Secretariat approved by the United Nations intergovernmental bodies and other subsidiary organs established by them in compliance with all resolutions, regulations, rules and ethical standards; truthful, objective, accurate and timely reporting on performance results; responsible stewardship of funds and resources; all aspects of performance, including a clearly defined system of rewards and sanctions; and with due recognition to the important role of the oversight bodies and in full compliance with accepted recommendations.

45. That definition includes the six components that are at the core of the Secretariat's accountability system: (a) the Charter of the United Nations; (b) the programme planning and budgetary documents of the Organization; (c) results and performance; (d) the internal control system; (e) ethical standards and integrity; and (f) the oversight functions. The steps to accountability are presented in figure I.

Figure I
Steps to accountability


Steps to accountability
1. Know It
Be acquainted with your responsibilities, authorities and the policy frameworks that govern your decisions
2. Solve It
Find and implement solutions
3. Do It
Follow through on solutions you have identified and implemented
4. Own It
Accept responsibility for actions you have taken
5. See It
Observe the consequences of your decisions, learn from them, and, if corrective actions are needed, take them!
The line
Wait and see
Confusion/tell me what to do
It's not my job
Ignore/deny
Finger-pointing
Cover up

46. As the objectives, standards and processes of the United Nations have evolved over time, strengthening the accountability system and the internal control framework of the Secretariat has been a continuous process. For example, in recent years the Secretariat has, inter alia, established an Ethics Office, instituted a financial disclosure programme, developed senior manager compacts, adopted enterprise risk management and implemented a phased approach to results-based management. Those efforts have been reflected in annual progress reports on accountability that have been presented to the General Assembly since 2010.

47. The Secretary-General now wishes to clearly articulate and integrate each of those components into a system that conveys to every staff member the Secretariat's expectations for conduct, sound performance and efficient management practices. Moreover, it is important to align the Secretariat's accountability structures to the new management paradigm proposed by the Secretary-General. Efforts are under way to streamline and simplify the internal policy framework to better support decision-making, as well as to increase transparency by introducing dashboards and other tools to report on the use of resources and the progress made in programme delivery throughout the year.

48. A chart of the updated accountability system is shown in figure II, and the summarized version of the Secretariat's accountability system is included as annex I to the present report.

Figure II
Accountability system of the United Nations Secretariat: its components and interactions

I. THE CHARTER OF THE UNITED NATIONS
II. STRATEGIC PLANNING
1. Mandates
2. Strategic frameworks
3. Programme budgets
4. Peacekeeping budgets
IV. INTERNAL CONTROL SYSTEMS
1. Delegation of authority
2. Risk management
3. Programme management
4. Project management
5. Compliance management
6. Ethics Office
7. Resolutions, rules and regulations that define the ethical standards
III. RESULTS AND PERFORMANCE
1. Organizational performance
2. Senior managers' compacts
3. Performance appraisal systems
IV. INTERNAL CONTROL SYSTEMS
1. Internal control framework
2. Enterprise risk management
3. Internal control over financial reporting
4. Anti-fraud and anti-corruption framework
5. Investigations
6. Ethics Office
7. Resolutions, rules and regulations that define the ethical standards
VI. OVERSIGHT FUNCTIONS
1. Office of Internal Oversight Services
2. Board of Auditors*
3. Joint Inspection Unit*
4. Independent Audit Advisory Committee*
V. ETHICAL STANDARDS AND INTEGRITY
1. Code of ethics / policies
2. Financial disclosure programme
3. Declaration of interest systems
4. Whistle-blower protection policy
5. Training and awareness

* External oversight bodies that provide independent assurance to the General Assembly.

How do these components interact with each other? The Charter is the foundational document of the United Nations and enshrines its basic principles, purposes and organs. Member States issue mandates, expressed as directives, priorities and targets, and the Secretary-General is responsible for implementing those mandates and for reporting on outcomes and the resources used. In discharging his responsibilities, the Secretary-General is obliged to reflect those mandates in the programme budget and the peacekeeping budgets. Programme managers and individual staff members are obliged to prepare their respective workplans with the purpose of achieving the results established therein. During that process, the Secretariat must continuously monitor performance, adjust implementation where needed, conduct ongoing evaluations and use evaluation findings for improvement and learning.

49. The Secretariat will prepare comprehensive guidance, formulated in accordance with global best practices and including hyperlinks directing the user to the original source of information, to provide staff with direction and guidance for all aspects of the Secretariat's accountability structures and operations. It will be clearly written, easy to understand and updated on a continuous basis. The guidance will also be used in the induction training provided for newly recruited staff, including senior leadership. In the past, key elements of accountability have been included in the induction training, but for the first-time new staff at all levels will receive comprehensive guidance on the full accountability system.

50. Strengthening the accountability system and the internal controls in an Organization as complex as the United Nations and in a rapidly changing world must necessarily be a continuous process.

Strengthening the implementation of results-based management

Conceptual framework for results-based management

51. As requested by the General Assembly in its resolution 64/259, the Secretary-General, in his second progress report on the accountability system in the United Nations Secretariat (A/67/714), presented a conceptual framework for results-based management in the Secretariat, as well as a governance structure for that purpose. The report used the following definition of results-based management: a broad management approach that uses information about expected results for strategic planning, human resources and budgetary decision-making, performance measurement and learning. That definition links the overall strategic objectives, plans and budgets of the Organization with human resources management, integrating the senior managers' compacts and the Performance Management and Development System for staff at levels below the level of Assistant Secretary-General.

52. In the context of that definition, results-based management is viewed by the Secretariat as an integrated approach meant to ensure that the processes, outputs and services of the Organization all have the goal of achieving results. Under the strategy, the delivery of results (results and outputs) guides the Secretariat's planning, budgeting, monitoring and reporting. Those processes are further informed by systematic evaluations and lessons learned, which are fed back into the planning and budgeting processes to improve the performance of the Organization, and to define human resources strategies that are directly linked to the objectives of the Organization.

Strengthening the implementation of results-based management

53. Taking into consideration the decisions of Member States and the findings and recommendations of the oversight bodies related to results-based management,[1] the Secretary-General has identified strengthening the implementation of results-based management in the Secretariat, and holding managers and staff accountable for the delivery of results, as critical aspects for shifting the management paradigm. The renewed focus on results is emphasized in paragraph 57 of the report of the Secretary-General dated 27 September 2017, in which he states that the Secretariat must redirect the efforts of staff at all levels towards the achievement of the Organization's objectives and goals and shift the focus of the Secretariat's efforts from inputs and activities to results and outcomes, and that the results will inform decision-making through the whole planning, budgeting and evaluation cycle, and will become a crucial element of the accountability and reporting systems of the Organization.

[1] See, for example, A/71/5 (Vol. I), A/69/5 (Vol. I) and JIU/REP/2017/6.

54. For results-based management to be successful, it will be important to change the behaviours and culture within the Organization so that managers and staff alike understand the value of proactively managing to achieve results. In order to strengthen the Secretariat's efforts with regard to results-based management, the Secretary-General is proposing the establishment of a dedicated function within the proposed new Department of Management Strategy, Policy and Compliance to support those efforts and embed the concept of results-based management as being "business as usual". If approved by the General Assembly, the proposed Department will guide, support and monitor the effective implementation of results-based management across the Organization, working with individual departments, offices and missions and the proposed Office of Finance and Budget in the preparation of their programme budget documents to support the articulation of a strong and ongoing focus on results. The annual performance compacts for senior managers will also reflect the objectives and expected results of the Organization, which will then cascade down through the workplans of successive levels of managers and staff at all levels. Those workplans will become the fundamental building block for holding senior managers and staff at all levels accountable for their performance. The Department of Management and the Department of Field Support will continue to provide support to the various entities within the Secretariat until their reconfiguration into the Department of Management Strategy, Policy and Compliance and the Department of Operational Support is completed in January 2019, following a final decision by the Assembly on the proposed reorganization of the Department of Management and the Department of Field Support and the creation of the two new departments, as proposed in the report of the Secretary-General (see A/72/492, para. 79).

55. As the Board of Auditors has repeatedly emphasized, results-based management also requires a strong link between programme and financial performance. The implementation of Umoja Extension 2, starting in the fourth quarter of 2018, will enable a better understanding and tracking of the links between as well as the costs of various activities, outputs and results, and the overall costs of the Organization's programmes, which is necessary to determine if the Organization is using its resources efficiently.

56. To proactively manage for results, managers need real-time programmatic and financial information. The Organization will develop programme-specific performance management dashboards that will provide real-time information on resource utilization and programme implementation. It will ensure greater transparency and awareness of the extent to which programmes are achieving the results expected of them and if they are using their resources effectively. The dashboards, which obtain their information from Umoja and other enterprise systems, will enhance transparency within the Secretariat and for Member States and lead to a more effective use of resources.

57. In addition to regularly monitoring the information provided through the dashboards, managers must periodically evaluate their programmes for a more in-depth understanding of what is working, what is not working and why, and whether the programmes are having the intended impact. They must use the findings and lessons learned from those self-evaluations, and from audits and independent evaluations, to take timely corrective actions and improve performance. The Secretary-General is therefore proposing the establishment of a self-evaluation support function within the Department of Management Strategy, Policy and Compliance to provide guidance, support and tools to managers across the Secretariat.

58. The Organization intends to strengthen its monitoring of programmatic results and will also rely on the independent assessments conducted by the Inspection and

Evaluation Division of OIOS, the Joint Inspection Unit and others. Those new processes and their interaction are illustrated in figure II above.

59. As stated above, the reforms in that area will build on the conceptual framework for results-based management, on previous efforts made by the Secretariat in that field and on lessons learned from other United Nations entities and non-United Nations entities in the area of results-based management. Important lessons that have been learned include the need to foster senior-level leadership in results-based management; to build results frameworks with ownership at all levels; to use results information for learning, managing, reporting and accountability; to promote and support a culture of results; and to build an adaptive results-based management regime through regular reviews and updates.

60. Reflecting the commitment of the Secretary-General to place performance and the achievement of results at the centre of the Secretariat's accountability system, and in compliance with resolution 71/283, in which the General Assembly requested the Secretary-General to propose a detailed plan for the implementation of results-based management, the Secretary-General is proposing an action plan (see annex II).

IV. "Three lines of defence": making the model work within the context of the United Nations Secretariat

61. The United Nations faces a considerable level and variety of risk owing to the complexities of its operations and the increased scope of its mandates. The unique risk profile of the Secretariat ranges, for example, from risks stemming from working with implementing partners in high-risk environments to the safety and security of staff members in areas of conflict.

62. In response, the Organization has defined various risk management and control functions at different levels. The challenge lies in the effective coordination of those roles to ensure there is no duplication of functions or gaps in the control systems. In the absence of a cohesive approach, risks might not be promptly identified or effectively managed.

63. The "three lines of defence" model, defined by the Institute of Internal Auditors[2] and subsequently adopted by CEB, who specifically tailored it to United Nations system organizations, provides a simple and effective perspective that clarifies essential responsibilities and clearly communicates the roles played by different actors in providing assurance with regard to internal controls.

64. According to the model, the first line of defence includes the functions that own and manage risks and are responsible for implementing corrective actions to address process and control deficiencies (i.e., operational managers). The second line of defence comprises central management functions that oversee risk and internal controls and provide support and guidance in those areas. The third line of defence includes the functions that provide independent assurances, such as those conducted by OIOS.

65. As part of efforts to strengthen the accountability framework, the Secretary-General will strengthen the risk management and control system by reflecting the three lines of defence model in those processes, as depicted in figure III below.

[2] Institute of Internal Auditors, "The three lines of defense in effective risk management and control" (2013). Available from https://global.theiia.org/standards-guidance/recommended-guidance/Pages/The-Three-Lines-of-Defense-in-Effective-Risk-Management-and-Control.aspx.

Figure III
Three lines of defence model

Governing bodies
Senior management
Defence line #1
Defence line #2
Defence line #3
• Operational management entrusted with responsibilities for:
- Alignment of activities with Organizational strategies and objectives
- Achievement of expected results
- Efficient utilization of the Organization's resources
- Effective management of risks and internal controls
- Ensuring compliance with regulations, rules and policies
- Identification of control breakdowns and operational challenges
- Feedback to level of management on needs for improvement
• Financial control and stewardship
- Budgetary guidance and control
- Monitoring financial performance and risks
- Ensuring integrity of Organizational financial data
• Security
- Ensuring safety and security of Organizational resources, human and physical
- Ensuring cybersecurity for Organizational data
• Effective enterprise risk management function
- Harmonized Organizational practices in risk management
- Consistent risk management practices at operational level
- Secretariat-wide risk assessments, fraud risk assessments
- Emerging Organizational risk identification
• Quality assurance of key administrative processes
• Compliance functions
- Monitoring and review of operational management through management review, data analytics and dashboards
- Monitoring and reporting on results and performance
- Ensuring accuracy and completeness of reporting governing bodies
• Ethical standards
• Office of Internal Oversight Service
- Internal audit function
- Internal investigation function
- Internal evaluation function
Independent Audit Advisory Committee
Joint Inspection Unit
Board of Auditors

66. Applying the model to the United Nations Secretariat, management control and internal control measures at the operational level constitute the first line of defence. Operational management is responsible for maintaining effective internal controls and for executing risk and control procedures on a daily basis. The second line of defence will be primarily the proposed new Department of Management Strategy, Policy and Compliance, which will be responsible for developing appropriate risk management policies and tools and, together with the proposed new Department of Operational Support, will support and monitor the use of delegated authority. The Department of Management Strategy, Policy and Compliance will also be responsible for monitoring performance and for supporting departments, offices, regional commissions and missions with the reporting of their programme performance. The United Nations ethical standards, values and principles, including the Ethics Office,

will also be in the second line of defence, as will those functions related to ensuring the safety and security of the Organization's resources, including both human and physical resources as well as data. The third line of defence is OIOS, which provides independent assurance regarding the effectiveness of risk management and internal controls, including the manner in which the first and second lines of defence achieve their objectives. The scope of the assurance is reported to senior management and the General Assembly. The Board of Auditors, as the independent auditors of the Organization, as well as the Joint Inspection Unit and the Independent Audit Advisory Committee, play important roles in the control structure. While they reside outside the Organization's structure, they provide independent, external assurances to the Assembly.

A. First line of defence: the functions that own and manage risk

67. Given the nature of its activities, the risk profile of the Organization is unique. Risks relevant to the activities of the Secretariat could include those of a strategic or governance nature, such as the ability to respond and adapt to the needs of changing environments, or related to specific operational issues, such as the proper planning of field activities, or to Organization's preparedness to respond to cyberattacks. The prudent management of the wide range of risks to which the Organization is exposed on a daily basis is essential to the effective achievement of mandates and is the responsibility of every manager.

68. Managers will be responsible for implementing regular risk assessments in their respective departments, offices and missions, for owning and managing the risks associated with their operations and, accordingly, for establishing and maintaining effective internal control systems and for ensuring that the activities implemented by the Organization are aimed at achieving its goals and objectives. They will also be responsible for the timely implementation of any corrective actions that are required to address any process and control deficiencies.[2] The Department of Management Strategy, Policy and Compliance will design procedures that serve as both guidance and controls in the context of the Secretariat's internal control system. Senior managers who have delegated authority will be accountable directly to the Secretary-General for ensuring the implementation of and compliance with those procedures by their staff. It should be clear, however, that despite this "cascading" structure, the accountability will remain with the senior official who received the delegated authority in the first instance from the Secretary-General, who himself remains ultimately accountable to Member States for the effective use of resources and the implementation of mandates.

69. Efforts to increase monitoring and accountability will be assisted by Umoja, which is providing the Secretariat with greater visibility with regard to transactions and data and the ability to conduct complex and real-time analyses of critical data. Robust data visualization and reporting allows for the remote analysis of metrics and key performance indicators and the production of reports with real-time information, which in turn allows for the timely detection of inconsistencies and deviations from established standards and procedures.

70. In terms of accountability, the Secretariat, through the proposed Department of Management Strategy, Policy and Compliance, will support the measures set out below.

Implementation of enterprise risk management by departments, offices and missions

71. Enterprise risk management is the inherent core responsibility of management. Under the three lines of defence model, embedded risk and internal control

management activities are an integral part of the management processes and operations of the entire Organization. The Department of Management Strategy, Policy and Compliance will be responsible for developing and maintaining the policy framework and the methodology and tools for enterprise risk management in the Secretariat and for the provision of technical advice and support to senior managers for the implementation of risk assessments in their respective departments, offices and missions (see A/70/5 (Vol. I), para. 122). The Department will support the dissemination of guidance and best practices concerning risk and internal control management principles and develop the appropriate communications and training programmes to enhance the Secretariat's risk management culture. The Department will also implement Secretariat-wide risk assessments and risk assessments at the functional level (e.g., procurement), as well as anti-fraud and anti-corruption exercises, to provide departments, offices and missions with information on the major entity-wide risks affecting the functioning of the Organization and the actions that can be put into effect at the enterprise level to mitigate those risks. It is essential that risk management become part of the Organization's "DNA" and that managers undertake risk assessments on an ongoing basis as part of their day-to-day core functions. It will be the Department's responsibility to take that forward and bring it to fruition.

72. It is the responsibility of managers at all levels to conduct risk assessment exercises in their respective areas and, through those risk assessments, identify and manage the specific risks that might affect them.

73. On the basis of information provided by the departments, offices and missions, the Department of Management Strategy, Policy and Compliance will prepare a consolidated entity-level risk register for the Secretariat and update the status of implementation of the actions taken to mitigate risks by the departments, offices and missions for distribution to the Management Committee, the Secretary-General and on behalf of the Secretary-General to the Independent Audit Advisory Committee and the General Assembly, as may be required.

Delegation of authority matrix

74. A delegation of authority matrix will be designed in line with the delegations of authority received by the various functional areas of the Organization (e.g., human resources management, budgeting and finance and procurement). The matrix will include, among other things, the following elements:

- Responsible official: the head of the department, office or mission that receives the delegation and who is responsible and accountable for the proper utilization of the authority delegated
- Authority: the scope of the authority delegated to the senior official to achieve the objectives of the Organization, including any specific thresholds, limitations or requirements to subdelegate to certain specialized functional positions
- Monitoring and reporting: the specific monitoring and reporting obligations that must be fulfilled with the authority delegated, including with regard to the exercise of any exceptional authority
- Responsibility and accountability: any specific qualifications and/or training requirements needed to exercise the delegation of authority responsibly, and the set of regulations, rules, policies and procedures that must be followed or taken into consideration when exercising the delegated authority

75. The framework will be accompanied by information concerning specific corrective actions to be taken in cases where: (a) managers intentionally and without justification violate the terms of the delegation granted to them; (b) managers are found to be unable to effectively exercise the delegation they have been granted;

and (c) managers do not have the capacity and/or are unable to develop or resource the capacity to enable them to effectively exercise the delegation they have been granted. In the event a delegation of authority is withdrawn from the head of a department, office or mission, such authority will in most instances be transferred to the Department of Operational Support to exercise on behalf of the entity in question.

Strengthening the senior managers' compacts

76. The senior managers' compacts were strengthened in 2018 to include, among other things, the profile of leadership of the CEB-endorsed United Nations system leadership framework; a request to identify a department or mission's top three risks and plans for their mitigation; protections for whistle-blowers; and the prevention of and response to allegations of sexual exploitation, abuse and harassment. The compacts will be further revamped in 2019 and will reflect the following new features:

- The results of the performance dashboards. Programme managers will be responsible for conducting self-evaluations and incorporating lessons learned from programme implementation. Programme performance information will be reported in part II of the proposed integrated annual programme budget, starting with the 2020 budget period. Peacekeeping-related performance will be reported in the peacekeeping budget documents. In addition, individual departments, offices, regional commissions and field missions will develop their own dashboards detailing the results of their programme implementation. The results will be an essential element in assessing the results achieved by senior managers in the performance of their functions.

- The 360-degree evaluation for senior managers. Starting in 2018, all senior managers will be subject to a 360-degree evaluation of how they have performed with respect to the nine leadership characteristics that have been determined by CEB and the Secretary-General to be essential to fulfilling the Organization's core mandates (see A/72/492, paras. 17 and 18). Those evaluations were already conducted in 2017 for the heads of peacekeeping missions and for some other senior leaders. The results of the evaluations will be reflected in the senior managers' performance assessment.

- The monitoring of staff perceptions of their leadership and managers. Senior managers play a critical role in shaping the culture of the Organization and, in particular, in promoting the ethical standards and values enshrined in the Charter and in the Staff Regulations and Rules of the United Nations. Through the Office of Human Resources Management, the Secretariat will conduct periodic staff surveys to monitor staff perceptions of leadership and managers (see A/72/492, para. 18). The results of the surveys will be reflected in the senior managers' performance assessment. A baseline staff engagement survey was conducted in 2017. The Office is providing support to Secretariat entities with regard to accessing and understanding their survey results and developing action plans, which are due to the Office by the end of June 2018. To ensure that targeted action is taken in all entities, the Office will continue to offer advice and support on how to interpret and communicate the results and how to maintain momentum regarding the entity-specific action plans. Additional support will be made available to heads of entities in the form of executive coaching, whereby an expert coach will provide one-on-one guidance with regard to leading the action planning process to ensure that the results are taken seriously and translated into concrete action and tangible change. The Office will provide the Management Committee with an update on progress in July 2018, and provide subsequent updates every six months. The implementation of the action

plans will continue through 2018 and 2019, and a follow-up staff engagement survey is planned for the end of 2019.

Statement of internal control

77. At the end of each calendar year, every head of a department, office or mission will be required to sign a statement of internal control attesting to compliance with the internal control framework under his or her area of responsibility.

B. Second line of defence: the functions that oversee risks and ensure compliance — management control

78. The second line of defence under the three lines of defence model relates to the "enablers": the advice and support necessary for operational managers to integrate risk management into key processes. The provision of advice and support assists managers in the first line of defence with discharging their responsibilities successfully and ensuring that risk management is an integral part of all the processes that take place at their level. Furthermore, the second line of defence is responsible for the compliance functions, which involve assessing the conformity of the Organization's operations with the internal control systems, policies, standards, internal procedures and best practices applicable to its business processes. Under the proposed new management paradigm, those responsibilities will be entrusted primarily to the Department of Management Strategy, Policy and Compliance.

79. The compliance functions envisaged in the second line of defence will include the following:

- Management reviews. The Department of Management Strategy, Policy and Compliance will conduct periodic reviews and assessments regarding whether the management systems and internal controls in the departments, offices and missions are performing as intended and producing the desired results as efficiently as possible in compliance with the relevant regulations, rules and policies. They will be ongoing "due diligence" reviews by management aimed at filling the gap between the day-to-day work activities in the first line of defence and the periodic interventions of OIOS, which constitute the third line of defence. The reviews may include tests of compliance with relevant regulations, rules and policies at either the policy level (e.g., compliance with Financial Regulations and Rules and Staff Regulations and Rules) and/or at the organizational level (e.g., in a peacekeeping mission or regional commission). The exercises may be conducted remotely by leveraging Umoja and other information technology tools available within the Organization or, where necessary, through on-site visits.

- Quality assurance. The Department of Management Strategy, Policy and Compliance, in collaboration with the Department of Operational Support, will identify areas that require quality assurance tests to assess whether the administrative services provided, and the processes followed for their provision, meet the predetermined quality standards of the various functional areas (e.g., human resources management, budgeting and finance and supply chain management) and whether they have been provided in compliance with existing regulations, rules and policies. That function will prepare quality assurance reports which will identify, inter alia, strengths and weakness in the processes followed and services provided, along with remedial actions and/or recommendations for improvement.

- Evaluation. Evaluation and feedback are critical to good management practices, as they are required to assess the impact of programme implementation in order to determine the nature and the cause of any shortfalls and necessary corrective actions. In addition, when planning for future programme cycles, evaluation findings and lessons learned are invaluable for programme managers, who will be responsible for ensuring that the results of evaluation exercises are taken into account in the preparation of budgets for future cycles. As noted by the Board of Auditors, a results-based approach to management requires a strong culture of self-evaluation by programme managers, but most Secretariat departments, offices and missions do not have any internal capability or capacity to evaluate the efficiency and effectiveness of their operations (see A/69/5 (Vol. I), para. 30). The Department of Management Strategy, Policy and Compliance will support programme managers by providing related methodological support and skills development to staff Secretariat-wide, helping to draft terms of reference for self-evaluations and managing and/or providing quality assurance for self-evaluation activities for departments and offices that might require assistance. A roster of professional evaluators who can be engaged to conduct evaluations on behalf of departments that lack in-house expertise will be developed and maintained by the Department.

- Management assessments. Management assessments consist of a review by the Management Evaluation Unit of contested managerial decisions to ensure that those decisions are taken in accordance with the regulations, rules and applicable administrative issuances (and that those regulations, rules and issuances are used to amend those decisions when necessary); and to identify emerging trends and systemic problems so that management can take swift corrective action. The current management assessment system will be enhanced, as its findings and recommendations will be linked to those derived from the monitoring of the delegation of authority.

Guidelines and support with regard to delegation of authority

80. The requirements for the implementation of each delegation will be established by the Secretary-General upon review and recommendation by the Under-Secretary-General for Management Strategy, Policy and Compliance, in consultation with the Under-Secretary-General for Operational Support. The Department of Management Strategy, Policy and Compliance will work with the Department of Operational Support to help managers who have delegated authority understand what is expected from them and the parameters of the authority granted to them. The Department of Operational Support will assist managers in building and improving capacities needed to exercise delegated authority in an accountable manner. In circumstances where capacity gaps exist, the Department of Operational Support will exercise the delegated authorities and, where appropriate, work with the senior manager concerned until such time as the required capacity has been developed to the satisfaction of the Department of Management Strategy, Policy and Compliance. In addition, the proposed Management Client Board, a body to be co-chaired by the heads of the two new departments and which will include rotating representatives of each of the different types of client entities across the Secretariat (such as departments and offices at Headquarters, offices away from Headquarters, regional commissions, peace operations and the field-based offices of special advisers and envoys), will serve as a mechanism by which the various types of entities can ensure that the Department of Management Strategy, Policy and Compliance and the Department of Operational Support are aware of their particular requirements and concerns, therefore improving the ability of the two departments to develop policies and procedures that can best support the Secretariat in achieving the purposes of the Organization and delivering on the mandates established by Member States.

Managing delegation of authority

81. As recommended by the Board of Auditors (see A/70/5 (Vol. I), para. 84), the Department of Management Strategy, Policy and Compliance will produce a consolidated policy document that clearly sets out delegations of authority, and will assist business owners and senior managers in the development of policies and procedures that will govern all delegations of authority, taking into consideration the Organization's mandates, objectives and structure. That will include ensuring that each delegated action is appropriately documented, in addition to monitoring and providing oversight of the use of the authority delegated, including through enterprise resource systems (e.g., Umoja) and through mobile compliance teams. The Department of Management Strategy, Policy and Compliance, in collaboration with the Department of Operational Support, will also define the criteria for corrective action with respect to improper use of the delegated authority (including the withdrawal or limitation of the authority and sanctions where appropriate). The Department of Management Strategy, Policy and Compliance will be responsible for monitoring and evaluating compliance with the delegation of authority framework, including whether circumstances arise that justify the curtailment of any delegation, in whole or in part. In such a case, upon the recommendation of the Under-Secretary-General for Management Strategy, Policy and Compliance, the Secretary-General will take remedial action, including by limiting, redirecting or withdrawing the authority in question. The Department of Operational Support will then work with the entity in question to enhance its capability until such time as the Department of Management Strategy, Policy and Compliance is confident that the entity can responsibly exercise the delegated authority.

Monitoring segregation of duties

82. The Department of Management Strategy, Policy and Compliance will coordinate with the relevant offices to identify the systems of segregation of duties that must exist in the various functional areas of the Organization to ensure appropriate levels of internal control. It will document those systems of segregation of duties, communicate that information throughout the Organization and define procedures for monitoring and providing oversight to the systems. In addition, the Department will prepare and implement an internal monitoring schedule of the systems of segregation of duties and conduct periodic reviews of all the levels of segregation in the Secretariat to ensure that they comply with the control frameworks and are revised where necessary.

Monitoring performance and compliance through data analytics

83. The Department of Management Strategy, Policy and Compliance will process and analyse information generated by Umoja and other systems on the functioning of the Secretariat to uncover systemic problems, hidden patterns, unknown correlations, trends and other information that can assist the Secretariat in improving the efficiency and efficacy of its operations and its ability to make more informed and better business decisions. The information will be provided to managers to improve their interventions.

Oversight coordination function

84. Programme managers will interact directly with the oversight bodies and be responsible for implementing oversight body recommendations applicable to their respective programmes and areas of work. The Department of Management Strategy, Policy and Compliance will review the findings and recommendations of the oversight bodies (the Board of Auditors, OIOS and the Joint Inspection Unit) to

identify material weaknesses, reportable conditions, systemic issues and best practices from other entities, and will produce recommendations to remedy or incorporate them. It will also monitor and report the status of the implementation of the recommendations to the Management Committee and the General Assembly and prepare a coordinated management response to the reports and recommendations of the oversight bodies. In addition, the Department will develop and circulate guidelines to the Secretariat departments, offices and missions regarding ways to effectively engage with the oversight bodies. The Department will also act as the Secretariat's focal point for the Joint Inspection Unit.

85. A key role under the second line of defence structure is the one played by the Ethics Office of the United Nations. In the performance of its functions, the Office offers five lines of service: confidential ethics advice; ethics awareness-raising and education; reviews of requests for protection against retaliation for reporting misconduct; the financial disclosure programme; and the promotion of coherence and common ethics standards across the United Nations system. The Ethics Office assists the Secretary-General in ensuring that all staff members perform their functions towards achieving the objectives and results of the Organization in a manner that is consistent with the highest standards of integrity, as required by the Charter and the relevant staff regulations and rules that define the United Nations staff standards of conduct.

C. Third line of defence: the functions that provide independent assurance — role of the Office of Internal Oversight Services

86. OIOS constitutes the third line of defence in the Secretariat. It is the internal and operationally independent oversight body of the Secretariat. It assists the Secretary-General in protecting the Organization's assets by providing assurance that programme activities have led to the programmed results and have been implemented in compliance with all relevant resolutions, regulations, rules and policies of the Organization. It also plays a key role in preventing and detecting fraud, waste, abuse, malfeasance and mismanagement. OIOS conducts audits, evaluations, inspections and investigations and its reports are presented directly to the General Assembly.

87. The second and third lines of defence must work in close cooperation to avoid duplication and overlap, and to inform each other, and the governing bodies, of the results of their work. Those efforts will increase the effectiveness of their interventions and transparency with regard to the functioning of the Organization.

Oversight bodies external to the United Nations Secretariat that have an independent assurance role

88. The Board of Auditors is an independent and system-wide oversight body that performs external audits of the accounts of the United Nations and its funds and programmes and reports its findings and recommendations to the General Assembly through the Advisory Committee on Administrative and Budgetary Questions. The core responsibility of the Board relates to financial and compliance auditing and the certification of the financial statements. The Board also conducts financial, managerial and performance audits and special assignments at the request of the Advisory Committee on Administrative and Budgetary Questions.

89. The Joint Inspection Unit is an external and system-wide oversight body of the United Nations system, responsible to the General Assembly and to the competent legislative organs of those specialized agencies and other international organizations within the United Nations system that have accepted its statute. It conducts evaluations, inspections and investigations.

90. The Independent Audit Advisory Committee serves in an expert advisory capacity to the General Assembly, assisting the Assembly in fulfilling its oversight responsibilities. The Committee is responsible for advising the Assembly on the scope, results and effectiveness of audit and other oversight functions, especially those of OIOS; measures to ensure management's compliance with audit and other oversight recommendations; and various risk management, internal control, operational, accounting and disclosure issues. In addition, the Committee advises the Assembly on measures to increase and facilitate cooperation among United Nations oversight bodies.

V. Conclusion

91. The Secretary-General's reform proposals will empower managers and staff at large to focus their efforts fully on the delivery of results and engage in a process of continuous learning and improvement. The measures to strengthen the Secretariat's accountability system described in the present report will ensure that managers and staff receive the support, guidance and training to conduct their work and themselves in an informed and accountable manner and that their performance is monitored regularly and reported accurately, and that corrective actions and disciplinary measures are taken when required.

VI. Recommendation to the General Assembly

92. **The General Assembly is requested to take note of the progress made and the plans to further strengthen the Secretariat's accountability system, as described in the present report.**

Annex I

Accountability system in the United Nations Secretariat

I. Introduction

1. In its resolution 64/259, the General Assembly defined the term "accountability" for the Secretariat. In 2010, the Secretary-General presented to the Assembly a framework for the accountability system of the Secretariat, consisting of six main interrelated components.

2. Since 2010, the accountability system and the internal control framework have been further strengthened to reflect the evolving objectives, standards and processes of the United Nations. At the request of Member States, annual progress reports on accountability have been presented to the General Assembly since 2010.

3. Pursuant to the Secretary-General's management reform proposals included in his report entitled "Shifting the management paradigm in the United Nations: ensuring a better future for all" (A/72/492 and A/72/492/Add.1), the present annex presents an enhanced and integrated version of the United Nations accountability system in line with the new management paradigm proposed by the Secretary-General and reflecting the changes to the Organization's administrative structures and functions over time.

4. The Secretariat's accountability system establishes the expectations for sound and efficient management practices and performance. It provides information to all staff members about the Organization's principles, structures, policies and processes to enable them to discharge their responsibilities in an accountable manner. It is an important document that staff at all levels — as well as all stakeholders — should know and understand.

5. On the basis of the updated version of the system contained in the present annex, the Secretariat will issue global management accountability guidance that further clarifies, in simple and understandable language, what the accountability system of the Secretariat is, what its components are and how all of the components fit together to build a better-managed and more efficient Organization.

II. Five guiding principles

6. The present updated version of the Secretariat's accountability system has been prepared using five main guiding principles:

- **Integrity**: All staff members are expected to perform their functions with a keen sense of duty and purpose to uphold the values of the United Nations and to act with honesty and with the best interests of the Organization in mind.
- **Transparency**: Refers to a process by which reliable, timely information about existing conditions, decisions and actions relating to the activities of the Organization is made accessible, visible and understandable to all stakeholders.[1]
- **Decentralization**: Implies the systematic delegation of authority at all levels of management and throughout the Organization, bringing decision-making closer to the point of delivery and trusting and empowering managers while ensuring greater accountability and transparency.

[1] Mervyn King, Mario Draghi and others, "Report of the Working Group on Transparency and Accountability" (October 1998). Available from www.imf.org/external/np/g22/index.htm#trans.

- **Simplicity**: The policy framework that governs the functioning of the Organization must be fit for purpose, lean and easy to understand, interpret and apply.

- **Diversity**: The United Nations is a global organization that should be staffed with a culturally and geographically diverse, gender-balanced, international and multitalented workforce that is truly representative of, and benefits, all the peoples we serve. The workforce should have easy access to the knowledge and means that allow it to discharge its responsibilities in an effective and accountable manner.

III. Definition of accountability and its components

7. In its resolution 64/259, the General Assembly approved the following definition of accountability for the United Nations:

> Accountability is the obligation of the Secretariat and its staff members to be answerable for all decisions made and actions taken by them, and to be responsible for honouring their commitments, without qualification or exception.
>
> Accountability includes achieving objectives and high-quality results in a timely and cost-effective manner, in fully implementing and delivering on all mandates to the Secretariat approved by the United Nations intergovernmental bodies and other subsidiary organs established by them in compliance with all resolutions, regulations, rules and ethical standards; truthful, objective, accurate and timely reporting on performance results; responsible stewardship of funds and resources; all aspects of performance, including a clearly defined system of rewards and sanctions; and with due recognition to the important role of the oversight bodies and in full compliance with accepted recommendations.

8. The Secretariat's accountability system has six main components: (a) the Charter of the United Nations; (b) the programme, planning and budget documents; (c) results and performance; (d) internal systems and controls; (e) ethical standards and integrity; and (f) the oversight roles and functions. Those components are interrelated and interact as shown in figure I below and as explained underneath.

Figure I
Accountability system of the United Nations Secretariat

I. THE CHARTER OF THE UNITED NATIONS
II. THE PROGRAMME PLANNING AND BUDGET DOCUMENTS
III. RESULTS AND PERFORMANCE
1. Organizational performance
2. Senior managers' compacts
3. Performance appraisal systems
IV. INTERNAL CONTROL SYSTEMS
IV. INTERNAL CONTROL SYSTEMS
VI. OVERSIGHT FUNCTIONS
1. Office of Internal Oversight Services
2. Board of Auditors*
3. Joint Inspection Unit*
4. Independent Audit Advisory Committee*
V. ETHICAL STANDARDS AND INTEGRITY
1. Ethics Office
2. Regulations and rules that define the ethical standards
3. Conflict-of-interest policies
4. Financial disclosure programme
5. Protection against retaliation
6. Training and awareness

* External oversight bodies that provide independent assurance to the General Assembly

The Charter is the foundational document of the United Nations and enshrines its basic principles, purposes and organs. Member States issue mandates, expressed as directives, priorities and targets, and the Secretary-General is responsible for implementing those mandates and for reporting on outcomes and the resources used. In discharging his responsibilities, the Secretary-General is obliged to reflect those mandates in the programme budget and the peacekeeping budgets. Programme managers and individual staff members are obliged to prepare their respective workplans with the purpose of achieving the results established therein. During that process, the Secretariat must continuously monitor performance, adjust implementation where needed, conduct ongoing evaluations and use evaluation findings for improvement and learning.

Description of the components

9. **The Charter of the United Nations** enshrines the basic principles of the Organization and identifies its principal organs and their roles and responsibilities as well as those of the Secretary-General. The Charter, among other things, establishes that the Secretary-General is the chief administrative officer of the United Nations (Article 97) and entrusts him with implementing the mandates promulgated by the principal organs of the United Nations (Article 98).

10. **The programme planning and budget documents** reflect the mandates of Member States and represent the commitment of the Secretariat to implement those mandates and to use approved resources responsibly. Those documents include:

- The programme budget
- The peacekeeping budgets
- The support account budget
- The budgets of the International Tribunals

11. Member States also provide voluntary contributions to the Secretariat, which are presented as extrabudgetary funds in the context of programme budgets. Those resources come with a programme support charge to cover the costs related to the Secretariat's support, and guidance related to the activities financed with the resources.

12. **Results and performance** refers to the obligation of the Organization to deliver on the outcomes and outputs reflected in the results framework of the programme planning and budget documents and to report accurately on those results to Member States. Every senior manager and staff member is expected to reflect their individual contributions towards achieving those results in their respective workplans and to have their performance assessed on the basis of the effectiveness of their contributions towards that end. Performance is assessed and, in the case of the Organization as a whole and of individual senior managers, also reported through the following mechanisms:

- **Organizational performance**. The Secretariat is obliged to present in the budget documents the results that were achieved by the Organization in the last completed budget cycle. That information should include: the outcomes to which the department or office contributed during the budget cycle and the outputs that were implemented, the results of the evaluations and self-evaluations carried out during the period and the lessons learned. How that information is presented to Member States, and how often, depends on which type of budget provided the resources for the activities.
- **Senior managers' compacts**. The annual workplans agreed by the senior-most officials of the Organization and the Secretary-General regarding the results they are individually expected to achieve, including the results established in the planning and budget documents, as well as a set of compliance, accountability and managerial objectives that reflect the priorities of the Member States and the Secretary-General. The compacts serve as the basis for assessing their performance.
- **Performance appraisal system**. The annual commitment every staff member makes with their supervisor to contribute to the Organization's overall results, and the assessment of their performance against that commitment.
- **Rewards, remedial actions and sanctions**. Currently, with the possible exception of the within-grade increment, no rewards are available for the

recognition of high-performing staff from an individual performance management perspective. Remedial actions and sanctions can be applied either in cases of underperformance or deviations from the principles and values that govern staff conduct and behaviour, which are contained in the Charter, the standards of conduct for the international civil service (see ST/SGB/2016/9) and the Staff Regulations and Rules of the United Nations. Remedial measures may include counselling, transfer to more suitable functions, additional training and/or the institution of a time-bound performance improvement plan. Sanctions may include the withholding of a within-grade salary increment, the non-renewal of an appointment, demotion or the termination of an appointment.

13. **The internal control system** is the policy framework that exists in the Organization to provide reasonable assurance regarding the achievement of its objectives with adequate resource utilization and reliable reporting. The system also includes the mechanisms and processes that exist to protect staff members from any excess in the performance of their work. Those systems may be grouped into three main categories: the regulations, rules and policies; critical organizational systems; and the compliance mechanism, as set out below:

- **The regulations, rules and policies**. The hierarchy of norms that govern the fundamental conditions of service and the basic rights, duties and obligations of the United Nations Secretariat as well as all the issues related to the administration of the United Nations. They include: the Staff Regulations and Rules; the Financial Regulations and Rules; and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. Further down in the hierarchy, the Secretariat has administrative issuances, manuals and guidelines (e.g., on human resources, finance, procurement and peacekeeping) and standard operating procedures governing various aspects of its work.

- **Organizational systems**. Important processes and structures that ensure the effective functioning of the Organization, the proper stewardship of resources and the achievement of objectives of the Organization. The systems include:

  - *Systems for selecting and contracting United Nations personnel, consultants and contractors*. The Secretariat's staff selection system, which is clearly defined in administrative instructions. The system integrates the recruitment, placement, promotion and mobility processes within the Organization. It is complemented by the role of the central review bodies, which, as a component of the Secretariat's system of segregation of duties, ensures that all candidates have been evaluated on the basis of approved evaluation criteria and that the applicable procedures have been followed during the process.

  - *Enterprise risk management*. The processes and structures the Secretariat has in place to identify potential events that may affect the normal functioning of the Secretariat and the achievement of its objectives and goals, and to manage those risks to provide reasonable assurance regarding the achievement of those objectives. The main elements include: the Secretariat's enterprise risk management policy framework and methodology; the Secretariat-wide risk assessment and the anti-fraud and anti-corruption risk assessments; the provision of technical support to senior managers for the implementation of enterprise risk management in their respective departments, offices and missions; and the responsibility of every senior manager to conduct risk assessment exercises in their respective departments, offices and missions to identify, evaluate and

manage the specific risks that might affect them while managing their operations.

- *Segregation of duties*. The system of internal controls embedded in the Secretariat's functioning by which no single individual has control over all phases of a decision or transaction that involves the resources of the Organization. The separation reduces the possibility that a single individual can breach the regulations, rules or procedures or cause financial loss to the Organization.

- *Delegation of authority*. The cascading of authority, including decision-making authority, from the Secretary-General downward, entrusting officials with the authority to take the required decisions for the achievement of the Organizational objectives and goals, while holding them accountable for their decisions and the related consequences.

- *Conduct and discipline*. The structure and mechanisms that provide overall direction on prevention and compliance for conduct and discipline issues, and ensures that appropriate action is taken in all cases of failure to comply with the standards of conduct of the United Nations.

- *Systems that ensure fairness in the workplace*. The set of structures and mechanisms that the Organization has in place to ensure that the staff are treated fairly and that decisions taken by the Organization are honest, fair and unbiased. The systems include the Ombudsman and the informal and formal systems of justice.

- **Compliance mechanism**. The obligation of the Secretariat to continuously monitor and analyse its performance and its management processes to improve the efficiency and quality of the services provided, and to ensure that managerial decisions are taken in full compliance with the regulations, rules and policies of the Organization. The mechanisms include:

  - *Statement of internal control*. At the end of each calendar year, every head of department, office and mission will be required to sign a statement of internal control attesting that the internal controls under his or her area of responsibility have functioned adequately.

  - *Management reviews*. Periodic assessments carried out by the central management function to ensure that management systems and internal controls are performing as intended and producing the desired results as efficiently as possible and in compliance with relevant regulations, rules and policies.

  - *Management assessments*. Evaluation of managerial decisions to ensure that they have been taken in accordance with the regulations, rules and administrative issuances and to identify emerging trends and systemic problems so that management can take swift corrective actions.

  - *Quality assurance*. Continuous assurance tests to assess whether the administrative services provided, and the processes followed for their provision, meet the quality standards predetermined by the process owners and follow existing regulations, rules and policies.

  - *Reports on Organizational performance and programme performance dashboards*. Reports that inform all stakeholders of the results of programme implementation, which include both quantitative information and the analysis of outputs implemented, the progress made towards the targets and qualitative statements on the results achieved. The reports also include the results of the evaluations implemented during the previous

completed budget cycle and the lessons learned. A summary of each report will be included in the programme performance dashboards accessible to all stakeholders through the Internet.

- *Evaluations*. Assessments of the impact of programme implementation to determine its achievements and, if required, the nature and cause of the shortfalls and ways to correct them.
- *Guidelines and support on delegation of authority*. The provision of guidance and support to managers to whom authority has been delegated to ensure they understand what is expected from them and the parameters of that authority.
- *Managing delegation of authority*. A set of actions aimed at ensuring that each instance of delegated authority has been appropriately documented and the continuous monitoring of oversight functions to ensure that delegated authorities are being used appropriately.
- *Monitoring segregation of duties*. Documentation, monitoring and oversight of the systems of segregation that must exist in the different functional areas of the Organization to ensure appropriate levels of internal controls.
- *Data analytics*. The continuous processing and analysis of the information generated by the Organization to uncover systemic problems, hidden patterns, unknown correlations, trends and other useful information that can assist in making better-informed business decisions and improve efficiency.
- *Oversight coordination function*. The set of actions aimed at reviewing the findings and recommendations of the oversight bodies to ensure their effective implementation by management and to identify material weaknesses, reportable conditions and systemic issues.

14. **Ethical standards and integrity** refers to the commitment of the Secretary-General and all staff, in particular senior managers, to uphold the highest ethical standards and integrity, as reflected in the mechanisms, policies, principles and values that set the standards for the conduct and behaviour of United Nations personnel, including but not limited to:

- The relevant regulations and rules that define the ethical standards of staff members (including the oath of office)
- The Ethics Office
- Policies for avoiding conflicts of interest (e.g., outside employment, political activity, gifts, hospitality and awards)
- The financial disclosure programme
- The Anti-Fraud and Anti-Corruption Framework of the United Nations
- Protection from retaliation
- Preventing sexual exploitation and abuse

15. **The oversight functions** independently assess the adequacy and effectiveness of the internal control systems, the efficient utilization of resources and the Organization's and staff members' adherence to professional and ethical standards. They include:

- **The Office of Internal Oversight Services (OIOS)**. An internal and operationally independent oversight body that conducts audits, evaluations, inspections and investigations.
- **External auditors (Board of Auditors)**. An independent oversight body that conducts external financial, managerial and performance audits, and undertakes special assignments at the request of the Advisory Committee on Administrative and Budgetary Questions/General Assembly.
- **The Joint Inspection Unit**. An external and system-wide body. It conducts evaluations, inspections and investigations.
- **The Independent Audit Advisory Committee**. A subsidiary body of the General Assembly whose responsibilities include overseeing the work of OIOS and advising the Assembly on management risk and internal control and on financial reporting.

IV. The three lines of defence: ensuring effective management of resources and internal controls

16. In the context of the current management reform discussion, the Secretary-General is adding the three lines of defence model to the existing internal control system (see figure II). The model will clarify essential roles and responsibilities for risk management and controls within the Organization and improve the effectiveness of the risk management systems. Under the model, management control and internal control measures at the operational level are the first line of defence in risk management. The second line of defence consists of various risk management and compliance functions to support and monitor the first line of defence. Independent assurance on the effectiveness of risk management and internal controls, including the manner in which the first and second lines of defence achieve risk management and control objectives, form the third line of defence. The Board of Auditors, as the independent auditors of the Organization, as well as the Joint Inspection Unit and the Independent Audit Advisory Committee, play an important role in the control structure. While they reside outside the Organization's structure, they provide independent, external assurances to the General Assembly.

17. As the first line of defence, operational managers will be responsible for implementing regular risk assessments in their respective departments, offices and missions, for owning and managing the risks associated with their operations and, accordingly, for establishing and maintaining effective internal controls systems and for ensuring that the activities implemented by the Organization are aimed at achieving its goals and objectives. They will also be responsible for the timely implementation of any corrective actions that are required to address any process and control deficiencies.[2] The proposed Department of Management Strategy, Policy and Compliance will design procedures that serve as both guidance and controls in the context of the Secretariat's internal control system. Senior managers who have delegated authority will be accountable directly to the Secretary-General for ensuring the implementation of and compliance with those procedures by their staff. It should be clear, however, that despite this "cascading" structure, the accountability will remain with the senior official who received the delegated authority in the first instance from the Secretary-General, who himself remains ultimately accountable to Member States for the effective use of resources and the implementation of mandates.

[2] Institute of Internal Auditors, "The three lines of defense in effective risk management and control" (2013). Available from https://global.theiia.org/standards-guidance/recommended-guidance/Pages/The-Three-Lines-of-Defense-in-Effective-Risk-Management-and-Control.aspx.

Figure II
Three lines of defence model

Governing bodies
Senior management
Defence line #1
Defence line #2
Defence line #3
• Operational management entrusted with responsibilities for:
- Alignment of activities with Organizational strategies and objectives
- Achievement of expected results
- Efficient utilization of the Organization's resources
- Effective management of risks and internal controls
- Ensuring compliance with regulations, rules and policies
- Identification of control breakdowns and operational challenges
- Feedback to senior management on needs for improvement
• Financial control and stewardship
- Budgetary guidance and control
- Monitoring financial performance and risks
- Ensuring integrity of Organizational financial data
• Security
- Ensuring safety and security of Organizational resources, human and physical
- Ensuring cybersecurity for Organizational data
• Effective enterprise risk management function
- Harmonized Organizational practices in risk management
- Consistent risk management practices at operational level
- Secretariat-wide risk assessments, fraud risk assessments
- Emerging Organizational risk identification
• Quality assurance of key administrative processes
• Compliance functions
- Monitoring and review of operational management through management reviews, data analysis and dashboards
- Monitoring and reporting on results and performance
- Ensuring accuracy and completeness of reporting governing bodies
• Ethical standards
• Office of Internal Oversight Service
- Internal audit function
- Internal investigation function
- Internal evaluation function
Independent Audit Advisory Committee
Joint Inspection Unit
Board of Auditors

18. The second line of defence will be primarily the proposed new Department of Management Strategy, Policy and Compliance, which will be responsible for developing appropriate risk management policies and tools and, together with the proposed new Department of Operational Support, will support and monitor the use of delegated authority. The Department of Management Strategy, Policy and Compliance will also be responsible for monitoring performance throughout the Organization and for supporting departments, offices, regional commissions and missions with the reporting of their programme performance. The United Nations ethical standards, values and principles, including the role of the Ethics Office, will also be in the second line of defence, as will those functions related to ensuring the safety and security of the Organization's resources, including both human and physical resources as well as data.

19. The third line of defence is OIOS, which provides independent assurance regarding the effectiveness of risk management and internal controls, including the manner in which the first and second lines of defence achieve their risk management and control objectives. The scope of the assurance is reported to senior management and the General Assembly.

Annex II

Action plan for the implementation of results-based management in the United Nations Secretariat, 2018–2021

I. Introduction

1. In his report entitled "Shifting the management paradigm in the United Nations: ensuring a better future for all" (A/72/492 and A/72/492/Add.1), the Secretary-General stressed his commitment to strengthening the culture of accountability within the Secretariat. Measures towards that goal include strengthening the implementation of results-based management, redirecting the efforts of staff at all levels towards the achievement of the Organization's objectives and goals and shifting the focus of the Secretariat's efforts from inputs and activities to results and outcomes. Results will inform decision-making throughout the entire planning, programme budgeting and evaluation cycle, and will become an important element of the accountability and reporting systems of the Organization. The General Assembly, in its resolution 71/283, requested the Secretary-General to propose a detailed plan, with a fixed time frame and clear milestones, for the implementation of results-based management in the regular functioning of the Organization.

II. Action plan

2. Experience in the successful implementation of results-based management demonstrates that building a results-oriented culture requires an informed demand for results information by all stakeholders; supportive organizational systems, incentives, procedures and practices; a results-oriented accountability regime; capacity to learn and adapt; results measurement and results-based management capacity; and clear roles and responsibilities.[1] In addition, the Board of Auditors has noted the importance of visible leadership from senior management in promoting and advancing the accountability system as a whole by setting an appropriate "tone at the top" to drive forward the implementation of results-based management and the need to build a strong culture of self-evaluation by programme managers (see A/69/5 (Vol. I), para. 30) and the importance of using performance measures that reflect the main expected accomplishments of a department and that are helpful to managers trying to understand current performance (see A/71/5 (Vol. I), para. 93).

3. On the basis of that understanding, the Secretary-General has previously requested the creation of a results-based management capacity to drive the implementation of this important initiative, but the proposals were not approved at the time (see A/62/701, A/62/701/Corr.1 and A/62/701/Add.1, and A/64/640). Therefore, implementing results-based management in the Secretariat has proceeded in a "phased manner" in accordance with resolution 67/253 and the limited resources available in the Secretariat for that purpose. Progress has been made in formulating the results frameworks in the planning and budget documents in a more results-oriented manner, but more work is required. The Board of Auditors recommends that the Administration accelerate its current process of strengthening the performance measures used by departments to measure and report results (see A/71/5 (Vol. I), para. 99). To that end, the Secretary-General is proposing the establishment of a dedicated results-based management function as part of his management reform proposal.

[1] John Mayne, "Best practices in results-based management: a review of experience — a report for the United Nations Secretariat, volume I: main report" (July 2007). Available from www.focusintl.com/RBM043-2007%2007%20UN%20Best%20Practices%20in%20Results-Based%20Management.pdf.

4. In addition to what the Secretariat has learned from others' experience in implementing results-based management (including that of the United Nations system,[2] and the findings and recommendations of a working group representing the different functional areas of the Organization and chaired by the Department of Management), and what the Secretariat has learned during the present process, the Secretary-General proposes the plan set out below, which is based on five main actions for strengthening the implementation of results-based management in the Secretariat for the period 2018–2021.

Action 1. Fostering the commitment of senior management to the implementation of results-based management and accountability

5. Best practices in implementing results-based management demonstrate that fostering senior-level leadership is fundamental for its successful implementation. That is, senior leaders must visibly, regularly and consistently lead and support results-based management through their words and actions.

6. To achieve that objective, the activities set out in table 1 are being proposed.

Table 1
Detailed activities for the achievement of action 1

Detailed activity	*Responsible entity*	*Implementation dates*
The Secretary-General will send a communication to senior managers stressing their obligation to participate in and support all results-based management initiatives to be implemented in their respective departments, offices and missions	Executive Office of the Secretary-General	Mid-2018
The Secretary-General will lead a high-level advocacy and outreach campaign to emphasize to senior managers and staff the need for the Organization to enhance its focus on the achievement of clearly defined results, including through iSeek stories, posters and pamphlets	Executive Office of the Secretary-General, Department of Management (2018), Department of Management Strategy, Policy and Compliance and Department of Public Information (from 2019 onward)	2018–2021 (continuous)
The Secretary-General will incorporate in the senior managers' compacts a performance indicator assessing every senior manager's contribution to the implementation of results-based management	Department of Management Strategy, Policy and Compliance, Executive Office of the Secretary-General	2019 (senior managers' performance to be assessed with this indicator from 2019 onward)

[2] Angela Bester, "Results-based management in the United Nations development system: progress and challenges — a report prepared for the United Nations Department of Economic and Social Affairs, for the quadrennial comprehensive policy review", final report (July 2012). Available from www.un.org/esa/coordination/pdf/rbm_report_10_july.pdf.

Action 2. Strengthening the Secretariat's capacities[1] in results planning, budgeting and reporting

7. The results-based frameworks are part of results-based management. The results chains embedded in those frameworks show a chain from inputs to outputs, which contribute to the collective achievement of the objective through results. The frameworks should clearly reflect the results and how they contribute to the collective achievement of the objective. In addition to planning and budgeting, the Secretariat will focus on improving monitoring, reporting and evaluation in order to demonstrate the results to which the Organization contributes.

8. In his report entitled "Shifting the management paradigm in the United Nations: ensuring a better future for all" (A/72/492 and A/72/492/Add.1), the Secretary-General put forward proposals for the reform of the regular budget process. In its resolution 72/266, the General Assembly approved the change from a biennial to an annual budget period on a trial basis and decided that the proposed programme budget document would consist of three parts: a plan outline, a programme plan and programme performance information, and post and non-post resource requirements.

9. To achieve those objectives, the activities set out in table 2 are being proposed.

Table 2
Detailed activities for the achievement of action 2

Detailed activity	*Responsible entity*	*Implementation dates*
Following the decision of the General Assembly, the Secretariat has launched a comprehensive change management process through which, during 2018, capacity will be established in all departments, offices and special political missions to prepare their respective results-based programme plans and programme performance information. By integrating programme performance information into the budget reports, the Secretariat will enhance evidence-based planning and accountability for its work	Department of Management	2018–2019
The Department of Management Strategy, Policy and Compliance will design and implement tailor-made workshops and coaching sessions for senior managers and staff at all levels on the implementation of results-based management and on their respective roles and responsibilities in the implementation of results-based management	Department of Management Strategy, Policy and Compliance	Third quarter 2019–31 December 2021 (continuous)

[1] Zoe Radnor and David Ivry, "Developing an understanding of results-based management through public value theory", *International Journal of Public Sector Management*, vol. 20, No. 7 (2007). Both authors emphasized the importance of training at all levels with regard to the application of results-based management as well as the importance of motivating senior managers to embrace the approach in order to ensure its successful implementation.

Detailed activity	*Responsible entity*	*Implementation dates*
The Department of Management Strategy, Policy and Compliance will develop a results-based management manual, including related policies and practical guidance for using a results-based management approach in all related areas of work	Department of Management Strategy, Policy and Compliance	Third quarter 2019–31 December 2021 (continuous)
The Department of Management Strategy, Policy and Compliance will develop an online mandatory training programme on results-based management, emphasizing all stages of the process, which will be made available to staff at all levels (including senior management), with a deadline for completion before the end of 2019	Department of Management Strategy, Policy and Compliance	Third quarter 2019–31 December 2019 (continuous)

Action 3. Upgrading the Secretariat's information technology platform to support the results-based management system

10. One of the key factors for the successful implementation of results-based management is the presence of the required supportive systems. That includes not only an established function responsible for driving the process, but the information technology tools that enable practitioners of results-based management to establish a link among objectives, results, outputs and resources.

11. With the implementation of Umoja Extension 2, the Secretariat will overcome that limitation, as the updated system will allow the Secretariat to assess performance at the programme and subprogramme levels relative to resources and measure the effect that resource allocation changes may have on programme performance.

12. To achieve that objective, the activity set out in table 3 is being proposed.

Table 3
Detailed activity for the achievement of action 3

Detailed activity	*Responsible entity*	*Implementation dates*
The successful implementation of Umoja Extension 2 will be the enabler of results-based management by providing managers a link among objectives, results, outputs and resources	Umoja	January 2019

Action 4. Using results information for learning and managing and for reporting, programming, planning, budgeting and accountability

13. Clear roles and responsibilities should be created among the different actors responsible for programme implementation for the achievement of the Organization's objectives and results. That critical linkage will be established through the workplans contained in the annual performance compacts of senior managers. Responsibility for achieving the results consistent with the approved goals and objectives of the Organization will thus cascade down through the workplans of successive levels of

managers and staff. That cascade will also become the fundamental building block for holding staff at all levels accountable for the achievement of specific results.

14. Another essential element to implement results-based management is the ability of the Secretariat to conduct self-evaluations and to actively include lessons learned in the planning and budgeting process of the Organization. Evaluations will critically examine programme implementation to draw conclusions about its relevance, effectiveness, efficiency and/or impact. Evaluations will inform programming, planning and budgeting decisions and allow for the introduction of corrective actions, if required. The knowledge and understanding gained from the implementation of a programme, subprogramme or project, including lessons both positive and negative, are also fundamental when taking relevant decisions.

15. To achieve those objectives, the activities set out in table 4 are being proposed.

Table 4
Detailed activities for the achievement of action 4

Detailed activity	*Responsible entity*	*Implementation dates*
Senior managers and staff members at all levels will be required to use the results frameworks included in the planning documents of the Organization as the starting point when they prepare their annual workplans (compacts for senior managers and annual performance assessments for staff at large), and they will be trained and supported for the implementation of those actions	Department of Management Strategy, Policy and Compliance; Executive Office of the Secretary-General	January 2019
The Secretary-General will use the results of programme implementation as one of the components of the assessment of the performance of senior managers	Department of Management Strategy, Policy and Compliance; Executive Office of the Secretary-General	January 2019
The Executive Office of the Secretary-General and the Department of Management Strategy, Policy and Compliance will select priority topics in the different areas of the Organization to be the subject of in-depth self-evaluation	Department of Management Strategy, Policy and Compliance; Executive Office of the Secretary-General	January 2019
Senior managers, supported by the Department of Management and the future Department of Management Strategy, Policy and Compliance and its Office of Finance and Budget, will facilitate consideration of the results of evaluations and lessons learned when preparing budgets and in their day-to-day management practices	Department of Management (2018); Department of Management Strategy, Policy and Compliance (2019 onward)	January 2018 (continuous)
Senior managers and staff will reflect results from programme performance information in online dashboards, which will be updated throughout the budget cycle	Individual departments, offices, missions	2019 (continuous)

Action 5. Evaluating, reviewing and updating the results-based management framework and its implementation

16. An independent evaluation of the progress made in the implementation of results-based management in the Secretariat and the achievement and impact of this action plan will be undertaken at the end of its four-year cycle. The evaluation will be presented to Member States to decide jointly with the Secretariat the future actions related to the implementation of results-based management.

17. To achieve that objective, the activity set out in table 5 is being proposed.

Table 5
Detailed activity for the achievement of action 5

Detailed activity	*Responsible entity*	*Implementation dates*
An independent evaluation of the results of this action plan will be undertaken at the end of 2021 to assess the implementation of results-based management and to design further actions for its future evolution	Department of Management Strategy, Policy and Compliance	Fourth quarter 2021